

Q2 2024 UNAUDITED RESULTS

27 AUGUST 2024



DISCLAIMER

IMPORTANT: You must read the following before continuing. The following applies to this document, the oral presentation of the information in this document, and any question- and-answer session that follows the oral presentation (collectively, the “Information”). In accessing the Information, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

This information and any related oral presentation does not constitute or form part of, and should not be construed as, an offer for sale of, or an invitation or solicitation to purchase or subscribe for or otherwise acquire, any securities or financial instruments of Axian Telecom (the “Company”) or any subsidiary or affiliate related to the Company nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities or financial instruments, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment or investment decision whatsoever.

The Information has been obtained from sources believed by the Company to be reliable. Market data used in the Information not attributed to a specific source are estimates of the Company. The Information has not been independently verified and, accordingly, no representation or warranty, expressed or implied, is made by the Company with respect to the fairness, completeness, correctness, reasonableness or accuracy of any Information and opinions contained herein.

The Information is provided for information purposes only and should not be relied upon by recipients and no liability, responsibility, or warranty of any kind is expressed, assumed or implied by the Company for the accuracy, inaccuracy, interpretation, misinterpretation, application, misapplication, use or misuse of any statement, claim, purported fact or financial amount, prediction or expectation. The Information, including but not limited to any forward-looking statements, applies only as of the date of this document, is not intended to give any assurances as to future results and, subject to any obligations the Company may have under applicable securities laws in relation to disclosure and ongoing information, the Company undertakes no obligation to update it.

This presentation may contain certain statements which are not historical facts and are forward-looking. We may from time to time make written or oral forward-looking statements in reports to shareholders and in other communications.

Forward-looking statements include statements concerning our plans, expectations, projections, objectives, targets, goals, strategies, future events, future operating revenues or performance, capital expenditures, financing needs, the expected terms or timeline of the Acquisition, plans or intentions relating to any other acquisitions, our competitive strengths and weaknesses, our business strategy, and the trends we anticipate in the industries and the political and legal environments in which we operate and other information that is not historical information.

Words such as “believe”, “anticipate”, “estimate”, “target”, “potential”, “expect”, “intend”, “predict”, “project”, “could”, “should”, “may”, “will”, “plan”, “aim”, “seek” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

The forward-looking statements contained in this presentation are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond our control. In addition, management’s assumptions about future events may prove to be inaccurate. We caution all readers that the forward-looking statements contained in this presentation are not guarantees of future performance, and we cannot assure any reader that such statements will be realized or the forward-looking events and circumstances will occur.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, many of which are beyond our control, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. For the avoidance of doubt, the Company does not accept any liability in respect of any such forward-looking statements.

This information contains numbers which have been rounded and ratios which have been calculated on the basis of rounded numbers. Subtotals and totals may not add, and ratios may not be recalculated exactly, as a result of the applied rounding.

PRESENTING TODAY



HASSANEIN HRIDJEE

Chairman and Founder



HASSAN JABER

Chief Executive Officer



NICOLAS SYLVESTRE-BONCHEVAL

Chief Financial Officer

INDUSTRY AND HIGHLIGHTS

MACROECONOMIC ENVIRONMENT

Madagascar:

- 2024 expected GDP growth is 4.5%⁽¹⁾
- 2024 expected inflation of 7.8%⁽¹⁾ (vs. 9.9% in 2023)
- \$/MGA at 4,478⁽²⁾ in Q2'24, +1.2% YoY

Tanzania:

- 2024 expected GDP growth is 5.5%⁽¹⁾
- 2024 expected inflation is 4.0%⁽¹⁾ (vs. 4.0% 2023)
- \$/TZS at 2,653⁽²⁾ in Q2'24, -9.0% YoY

Togo:

- 2024 expected GDP growth is 5.3%⁽¹⁾
- 2024 expected inflation of 2.7%⁽¹⁾ (vs. 5.1% in 2023)
- \$/XOF at 612⁽²⁾ in Q2'24, -1.9% YoY

Senegal:

- 2024 expected GDP growth is 8.3%⁽¹⁾
- 2024 expected inflation of 3.9%⁽¹⁾ (vs. 5.9% in 2023)
- \$/XOF at 612⁽²⁾ in Q2'24, -1.9% YoY

TELECOM INDUSTRY

Madagascar⁽³⁾:

- Total subscribers as of Q2'24 were 20.7m, which is a +14.9% increase YoY
- Mobile and data penetration of 66.6% and 37.9% respectively as of Q2'24, which is +6.4pp and +3.7pp YoY

Tanzania⁽⁴⁾:

- Total subscribers as of Q2'24 were at 75.6m, which is a +17.9% increase YoY
- Mobile and data penetration of 122.4% and 63.7% respectively as of Q2'24, which is +18.7pp and +8.5pp YoY

Togo^{(5),(6)}:

- Total subscribers as of Q2'24 were at 7.2m, which is a +6.7% increase YoY
- Mobile and data penetration of 87.0% and 64.9% respectively as of Q2'24, which is +4.7pp and +7.9pp YoY

Senegal⁽⁷⁾:

- Total subscribers as of Q2'24 were 23.1m, which is a +5.3% increase YoY
- Mobile and data penetration of 128.0% and 116.1% respectively as of Q2'24, which is +4.5pp and +7.8pp YoY

HIGHLIGHTS H1'24

KEY KPIs (Consolidated Results)

Revenue
Generating
Subscribers

31% YoY
41.3m

Active
Data
Users

47% YoY
11.2m

Active
MFS
Users

28% YoY
14.0m

KEY FINANCIALS (Consolidated Results)

Revenue	34% YoY \$660.3m	Adjusted EBITDA	35% YoY \$301.3m
Excluding FX impact	39% YoY \$686.0m	Excluding FX impact	41% YoY \$313.8m

KEY FINANCIALS (Pro Forma Results⁽¹⁾)

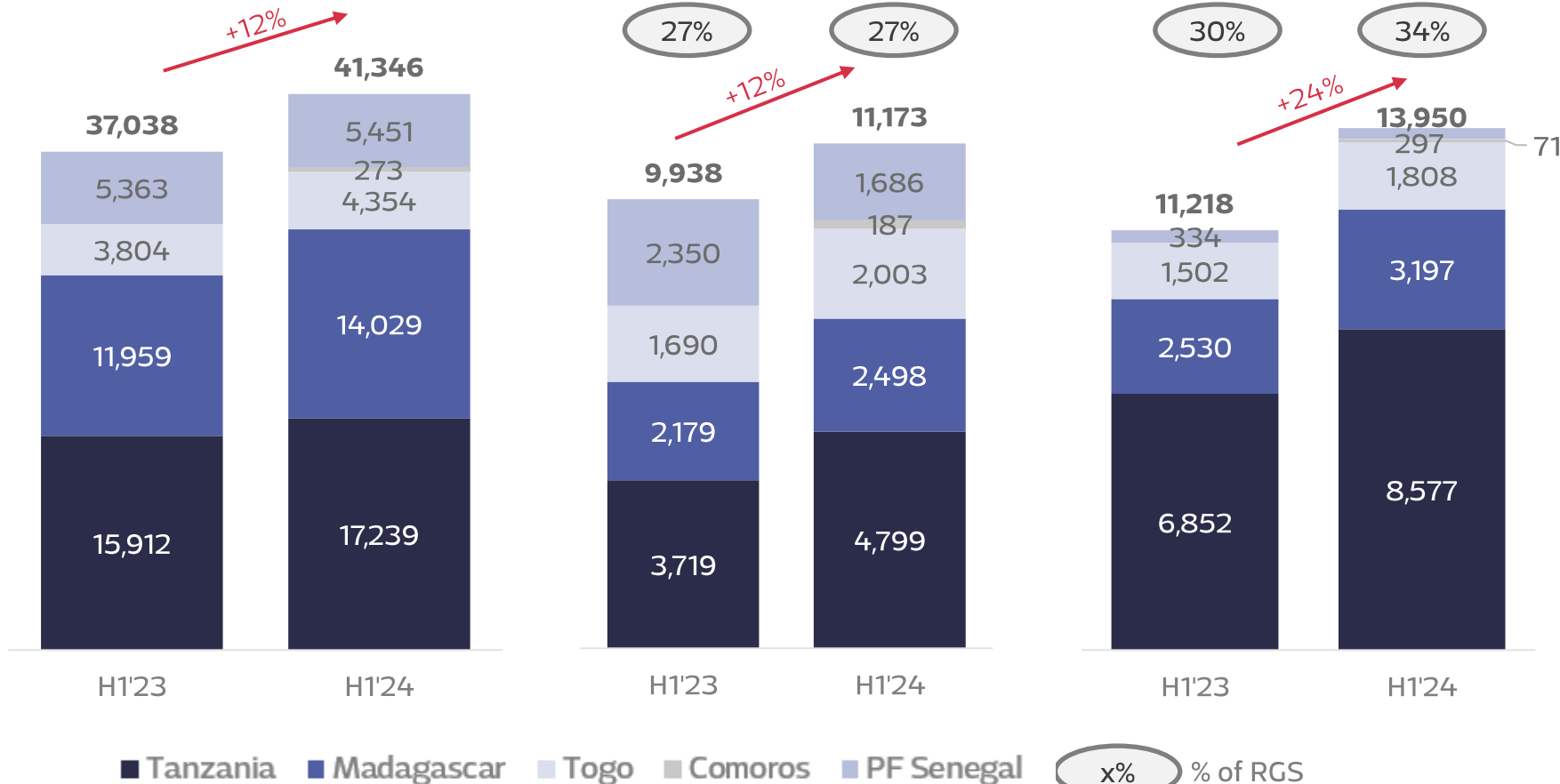
Revenue	13% YoY	Adjusted EBITDA	16% YoY
Excluding FX impact	18% YoY	Excluding FX impact	21% YoY

SUBSCRIBERS

Revenue generating subscribers ('000)

Active data users ('000)

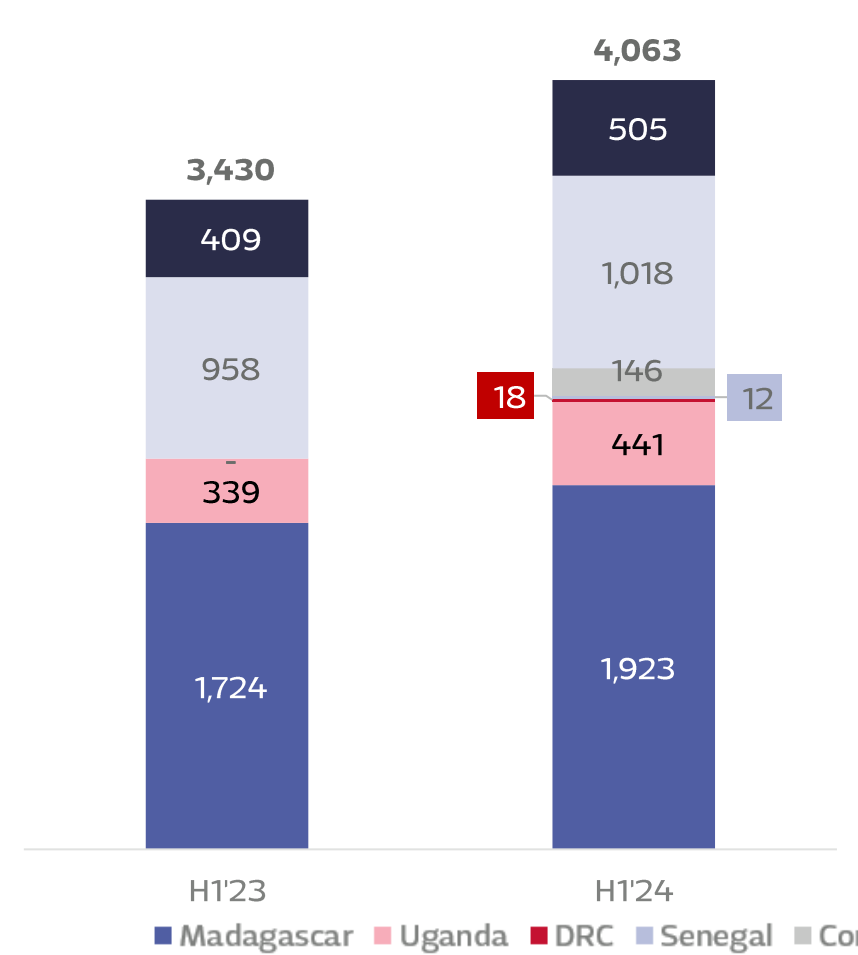
Active MFS users ('000)



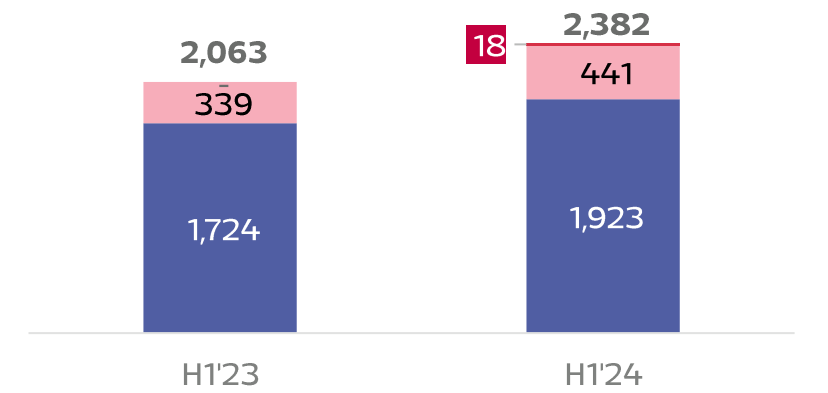
- Revenue generating subscribers +12% YoY, mainly driven by
 - +2.1m subscribers in Madagascar, a 17% increase YoY
 - +0.6m subscribers in Togo, a 14% increase YoY
 - +1.3m subscribers in Tanzania, an 8% increase YoY
 - PF Senegal subscribers +0.1m, a 2% increase YoY
 - +0.3m subscribers from Telma Comores acquisition
- Active data users +12% YoY
 - Strong growth from Tanzania +19%, Togo +19%, and Madagascar +15%
 - PF Senegal -28% due to revised data bundles and pricing strategy
- Active MFS users +24% YoY
 - Strong growth from Madagascar +26%, Tanzania +25%, and Togo +20%
 - 11% in PF Senegal Active MFS Users due to change in our P2P Transaction pricing

TOWERS AND TENANTS

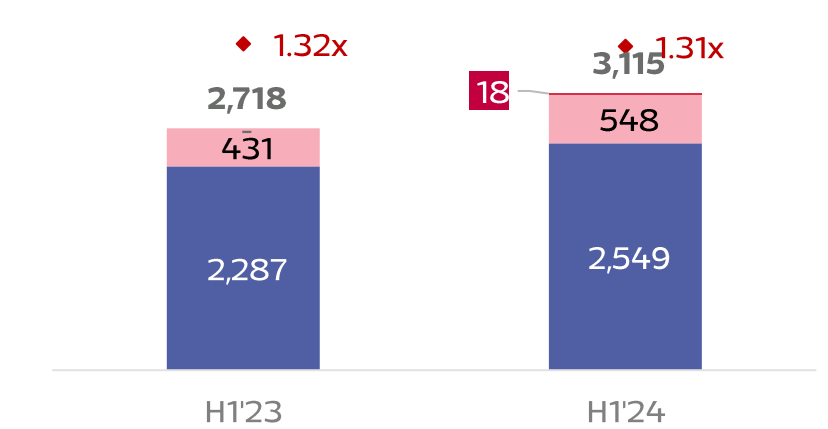
Owned Towers



Shared Towers



Tenants on Shared Towers



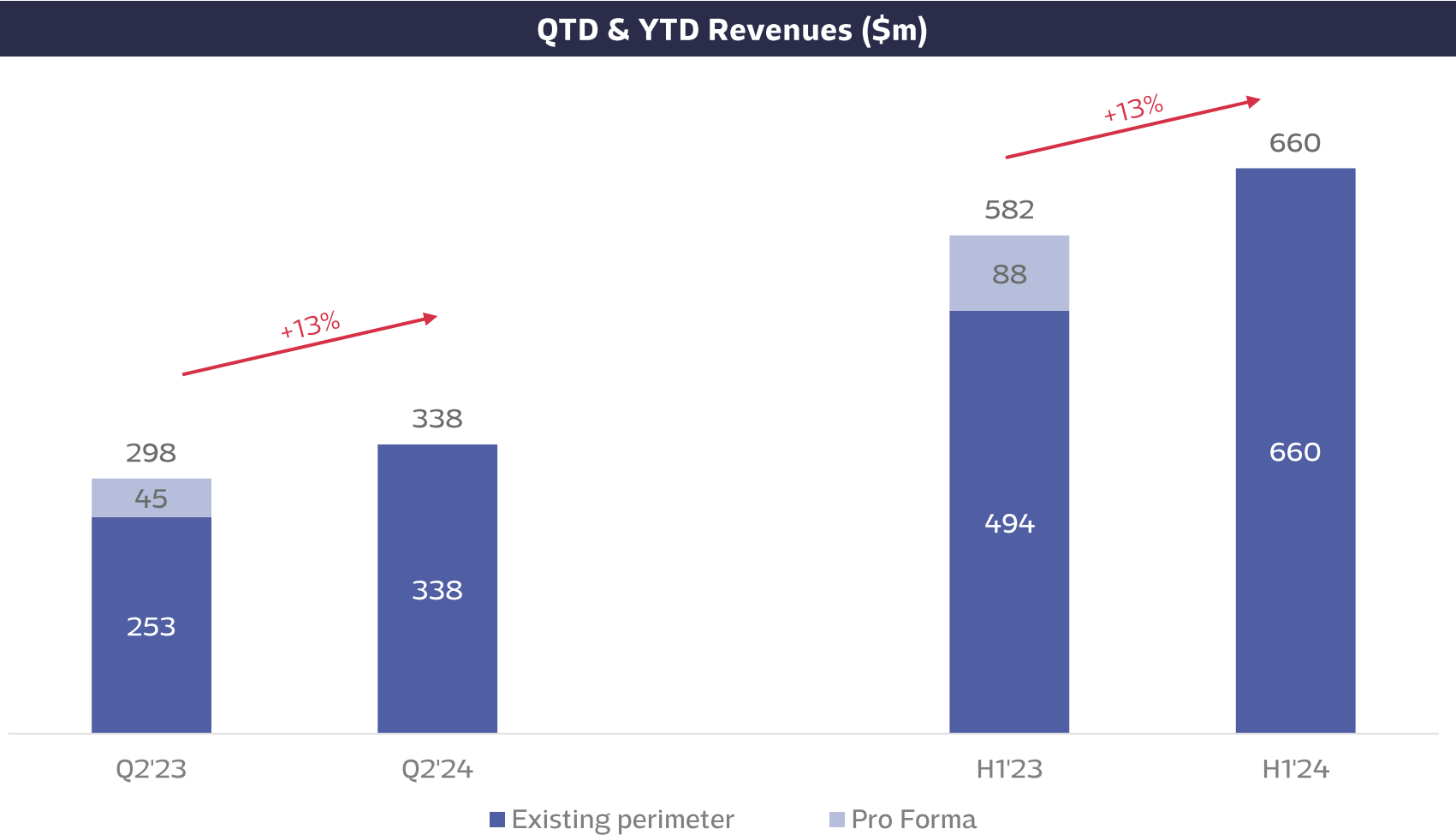
■ Number of Owned Towers increased by 633 YoY in Q2'24, while Shared Towers increased by 319 YoY; increase in Owned Towers comprised of:

- +199 in Madagascar
- +102 in Uganda
- +96 in Tanzania
- +60 in Togo
- +18 in DRC

■ Tenants on Shared Towers increased by 397 YoY in Q2'24, while Tenancy Ratio decreased from 1.32x to 1.31x:

- +262 in Madagascar
- +117 in Uganda
- +18 in DRC

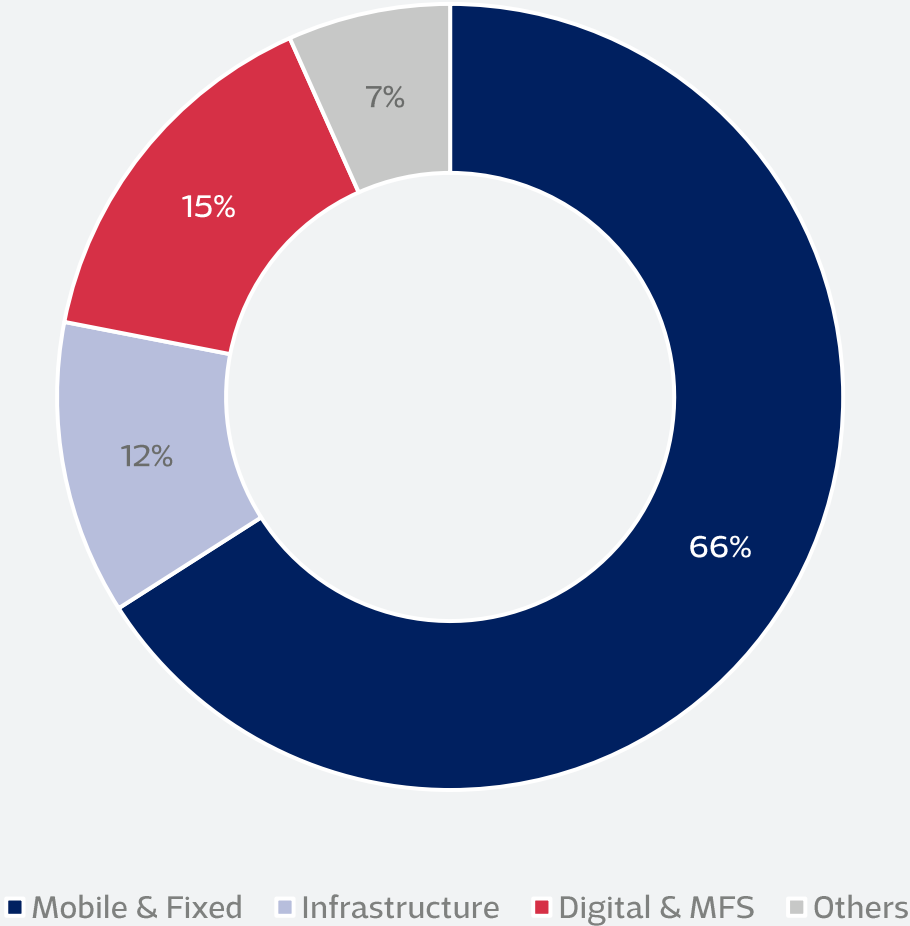
REVENUE



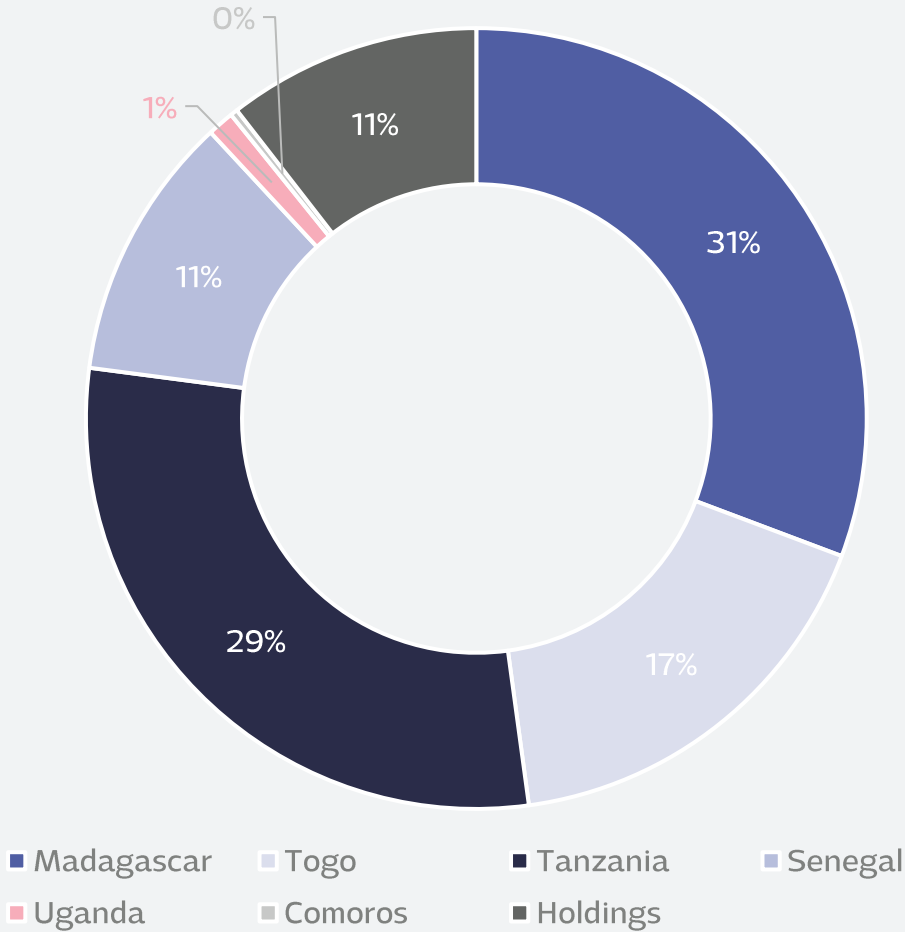
- +34% YoY revenue growth in H1'24 in our existing perimeter and 13% YoY growth on a PF basis
 - Strong growth in infrastructure revenue with +8.2m YoY (+41%)
 - Mobile & Fixed revenue grew \$134.3m YoY (+35%), of which \$88.6m attributable to inclusion of Senegal and Comoros
 - Digital & Mobile Financial Services revenue grew \$24.4m YoY (+26%), of which \$0.2m attributable to inclusion of Senegal and Comoros
- H1'24 Pro forma Senegal revenue is decreased by 2.7% YoY
- Without FX impact, our H1'24 Pro forma revenue would have been 4% higher, and would have reflected YoY growth of 18%

REVENUE SPLITS

H1'24 Revenue by segment (%)

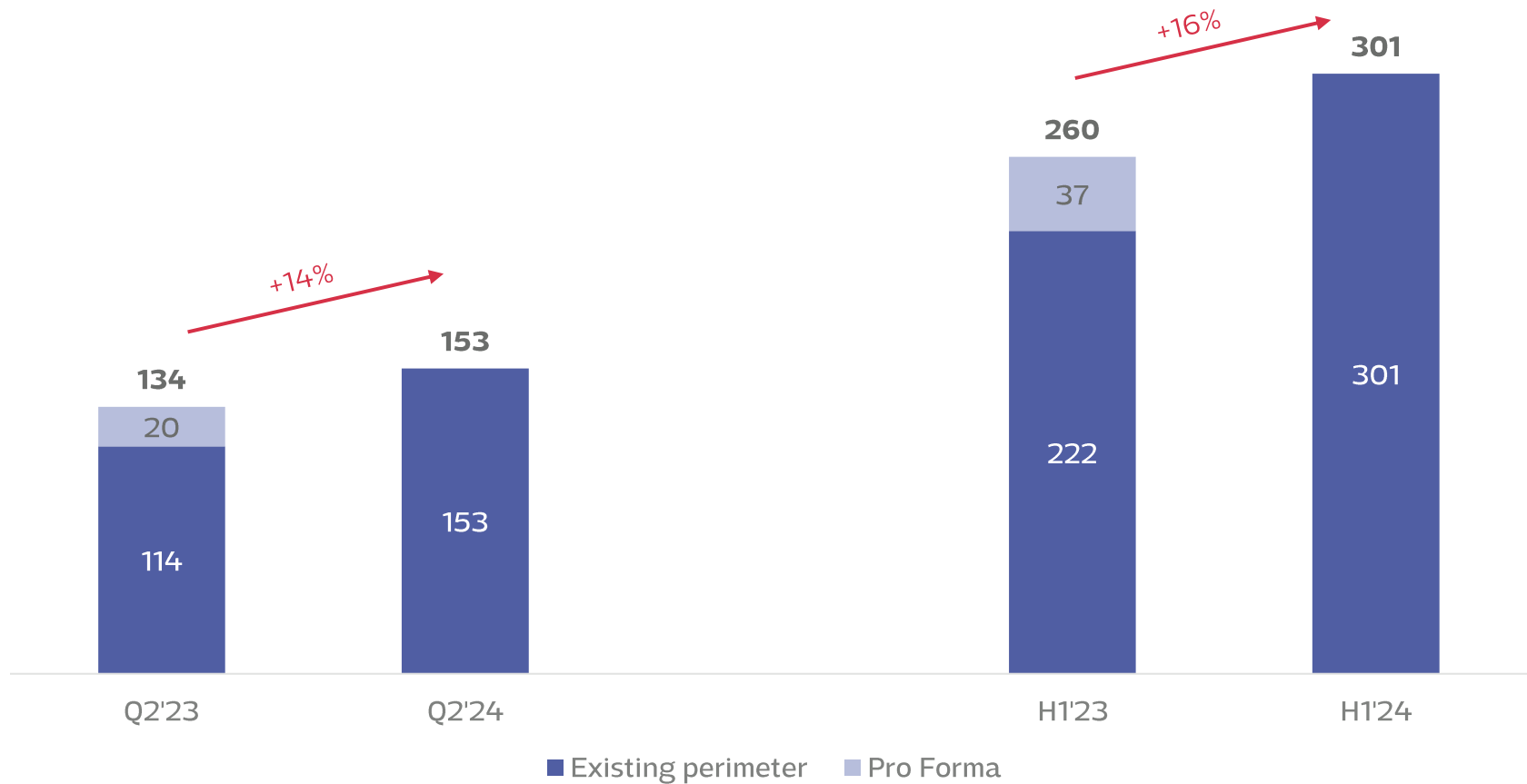


H1'24 Revenue by country (%)



ADJUSTED EBITDA

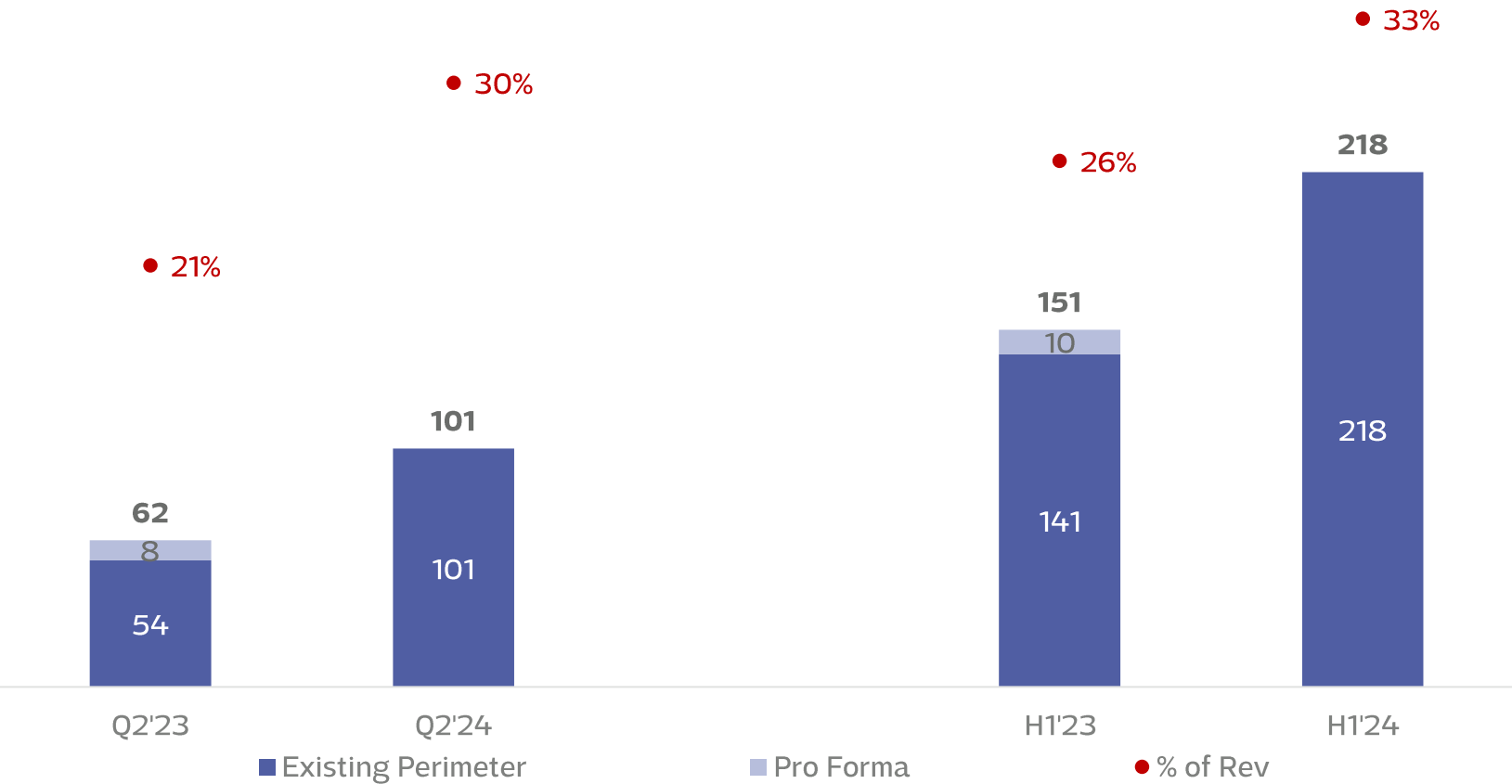
QTD & YTD Adjusted EBITDA (\$m)



- +35% YoY Adjusted EBITDA growth in H1'24 in our existing perimeter
 - YoY growth in Infrastructure by \$2.0m (+55%), Digital & Mobile Financial Services by \$18.3m (+47%) and Mobile & Fixed services by \$73.4m (+37%)
 - H1'24 includes +\$33.4m in Adjusted EBITDA from Free in Senegal and Comoros
- H1'24 Pro Forma Adjusted EBITDA grew 16% YoY. Without FX impact, Pro Forma Adjusted EBITDA would have been 4% higher, and would have reflected YoY growth of 21%

CAPITAL EXPENDITURE

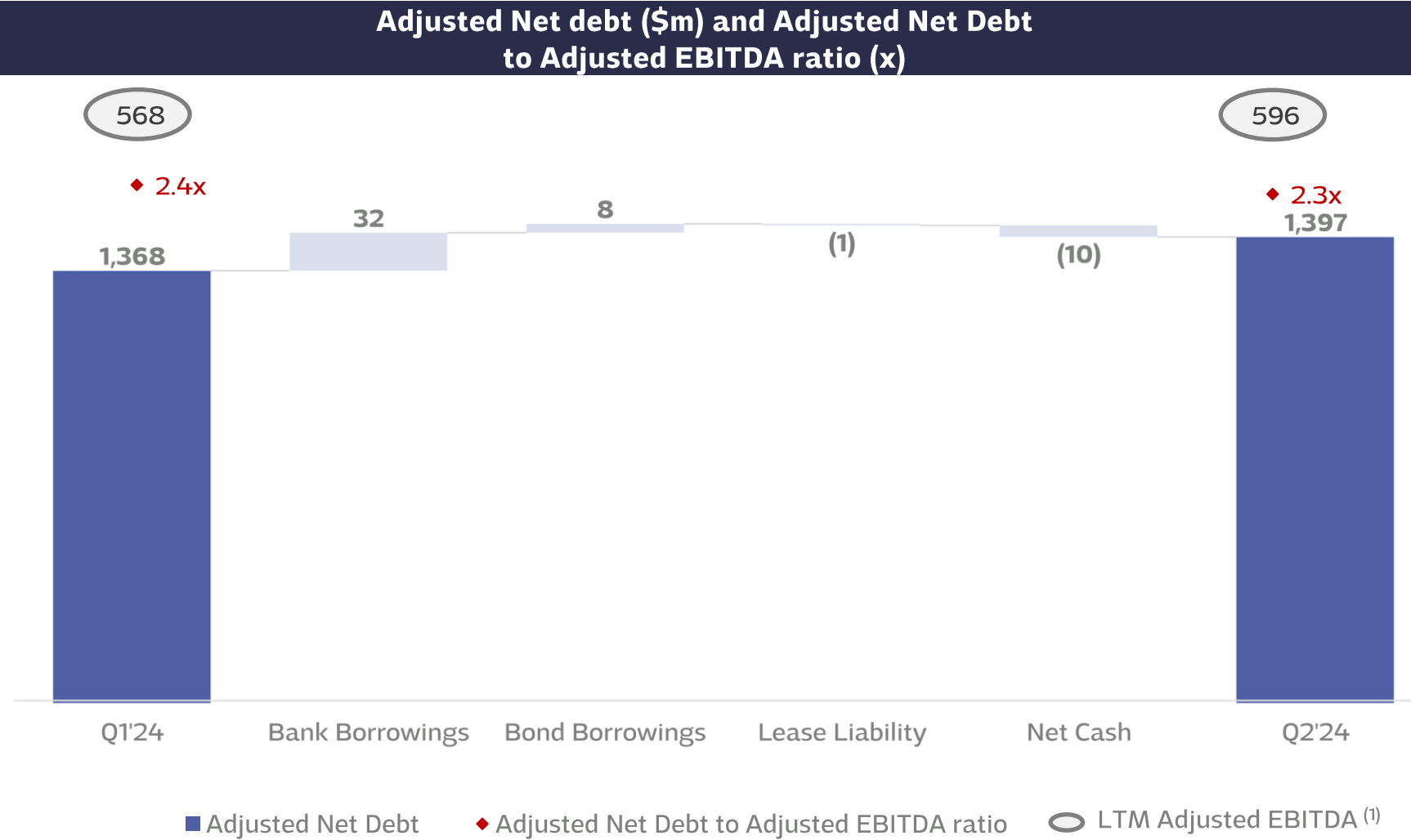
QTD & YTD Capital Expenditure (\$m)⁽¹⁾



- H1'24 Capital Expenditure ("Capex") for the existing perimeter at \$218.2m. Pro forma Capex increased to 33% of revenue vs. 26% last year
 - Our Mobile & Fixed segment contributed 82% to the current period's Capex, due to increase of payment to suppliers in Madagascar, Togo, and Tanzania.
 - Aggregate Senegal and Comoros contribution is \$20.3m
 - Our Infrastructure segment contributed 18% to the current period's Capex, mainly from Madagascar and Uganda

⁽¹⁾ Capex % of revenue are based on Proforma figures presented on a combined basis; combining the results for Axian Telecom, and Free in Senegal as if they were a part of the same group from January 1, 2023. Refer to slide 18 for the definition of Capital Expenditure ("Capex")

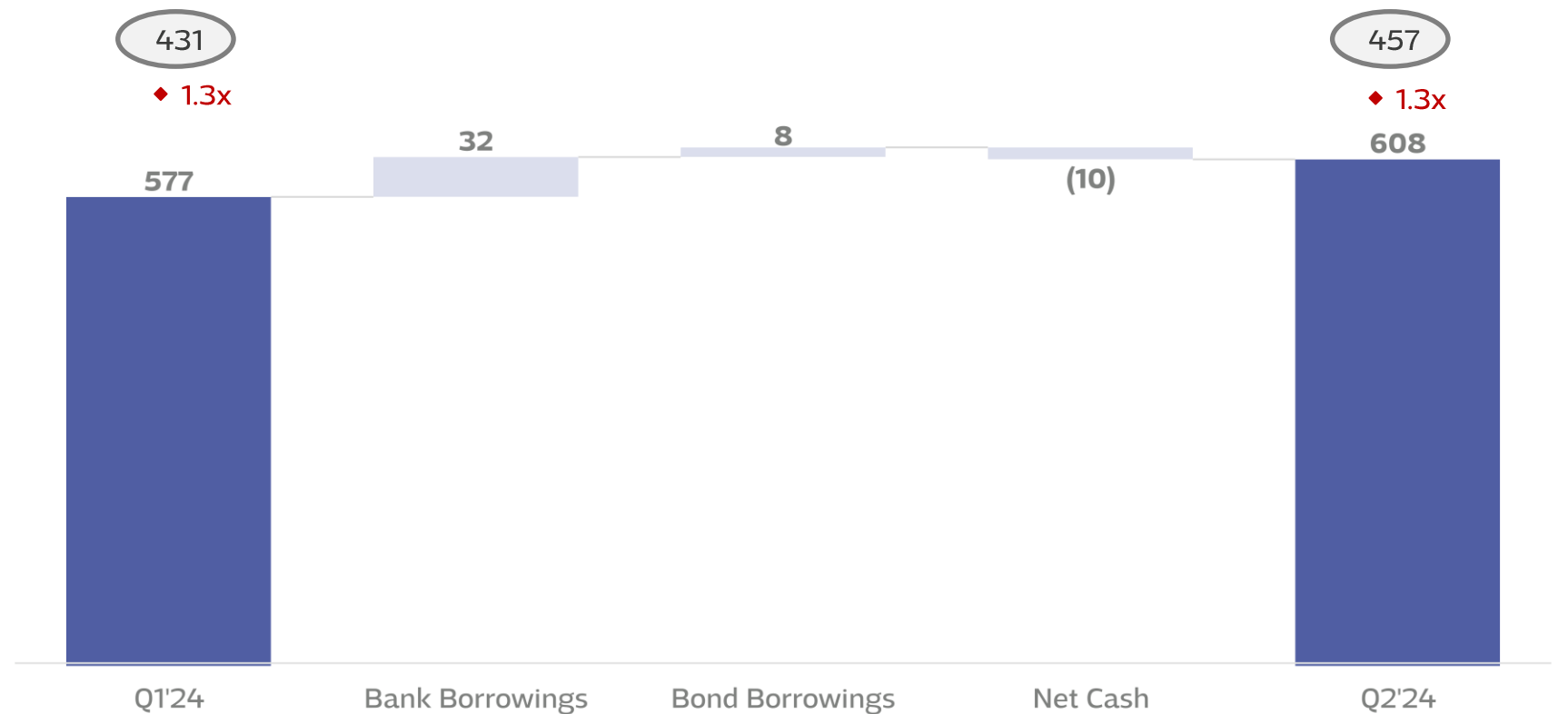
LEVERAGE



- Leverage 2.3x is down 0.1x vs. last quarter
- Decrease in leverage is due to :
 - Increase in LTM combined Adjusted EBITDA of +\$28.6m, from a combination of organic growth and inclusion of \$9.3m from Telma Comoros
 - Decrease in lease liabilities due to repayments in the quarter and new liabilities from new sites and Telma Comoros
 - Increase in cash of \$9.8m
 - Partially offset by increase in adjusted borrowings by \$40.2m on account of new facilities and Telma Comoros debt of \$6.9m
- Net leverage covenant at 3.75x in our Holding facilities

LEVERAGE EXCLUDING LEASES

Adjusted Net debt (excl. leases) (\$m) and Adjusted Net Debt (excl. leases) to Adjusted EBITDAaL ratio (x)



- Leverage 1.3x is stable vs last quarter
- Q-o-Q Leverage movement impacted by:
 - Increase in LTM combined Adjusted EBITDAaL +\$26.2m, from a combination of organic growth and inclusion of \$8.8m from Telma Comoros
 - Increase in cash of \$9.8m
 - Partially offset by increase in adjusted borrowings by \$40.2m on account of new facilities and Telma Comoros debt of \$6.9m

■ Adjusted Net Debt (excl. leases) ♦ Adjusted Net Debt (excl. leases) to Adjusted EBITDAaL ratio ○ LTM Adjusted EBITDAaL⁽¹⁾

Refer to slide 18 for the definitions of Adjusted EBITDAaL, Adjusted Total Debt, Adjusted Net Debt (excl. leases), and Adjusted Net Debt (excl. leases) to Adjusted EBITDAaL ratio
⁽¹⁾ On Pro forma basis; combining the results for Axian Telecom, Free in Senegal and Telma Comoros as if they were a part of the same group for the last twelve months

Appendix

RESULTS SNAPSHOT

In \$m, unless otherwise stated

Existing perimeter

Revenue generating subscribers ('000)	
Active data users ('000)	
Active MFS users ('000)	
Revenue	
Adjusted EBITDA	
<i>Adjusted EBITDA Margin</i>	
Capital Expenditure	
<i>As a % of revenue</i>	
Adjusted Net Debt	
Adjusted Net Debt to Adjusted EBITDA ratio (x)	

Q2'24	Q2'23	Var.	H1'24	H1'23	Var.
41,346	31,675	31%	41,346	31,675	31%
11,173	7,588	47%	11,173	7,588	47%
13,950	10,884	28%	13,950	10,884	28%
338	253	33%	660	494	34%
153	114	34%	301	222	35%
45%	45%	0 pp	46%	45%	1 pp
101	54	88%	218	141	55%
30%	21%	9 pp	33%	29%	4 pp
1,397			1,397		
2.3x			2.3x		

Pro Forma⁽¹⁾

Revenue generating subscribers ('000)	
Active data users ('000)	
Active MFS users ('000)	
Revenue	
Adjusted EBITDA	
<i>Adjusted EBITDA Margin</i>	
Capital Expenditure	
<i>As a % of revenue</i>	

41,346	37,038	12%	41,346	37,038	12%
11,173	9,938	12%	11,173	9,938	12%
13,950	11,218	24%	13,950	11,218	24%
338	298	13%	660	582	13%
153	134	14%	301	260	16%
45%	45%	0 pp	46%	45%	1 pp
101	62	62%	218	151	44%
30%	21%	9 pp	33%	26%	7 pp

Existing Perimeter Excluding Senegal

Revenue generating subscribers ('000)	
Active data users ('000)	
Active MFS users ('000)	
Revenue	
Adjusted EBITDA	
<i>Adjusted EBITDA Margin</i>	
Capital Expenditure	
<i>As a % of revenue</i>	

35,895	31,675	13%	35,895	31,675	13%
9,487	7,588	25%	9,487	7,588	25%
13,653	10,884	25%	13,653	10,884	25%
295	253	16%	574	494	16%
138	114	21%	269	222	21%
47%	45%	2 pp	47%	45%	2 pp
89	54	65%	199	141	41%
30%	21%	9 pp	35%	29%	6 pp

ADJUSTED EBITDA RECONCILIATION

In \$m, unless otherwise stated

	Q2'24	Q2'23	H1'24	H1'23	Q2'24	Q2'23	H1'24	H1'23
	Existing perimeter				Proforma ⁽¹⁾			
Profit for the period	25	(6)	54	16	25	(4)	54	17
Income tax expense/(credit)	7	18	19	30	7	18	19	30
Finance income	(5)	(14)	(27)	(27)	(5)	(14)	(27)	(27)
Finance costs	55	62	115	99	55	69	115	114
Depreciation of property, plant and equipment	47	33	92	64	47	36	92	71
Amortization of right of use assets	17	15	34	28	17	19	34	35
Amortization of intangible assets	13	8	25	15	13	12	25	23
EBITDA	159	116	312	226	159	136	312	263
Share of net profit in joint ventures	(4)	(5)	(10)	(7)	(4)	(5)	(10)	(7)
Loss/(gain) on fair value of previously held interest	(1)	-	(1)	-	(1)	-	(1)	-
Impairment of property, plant and equipment and	-	4	-	4	-	4	-	4
Gain on disposal of property, plant and equipment	0	0	(0)	-	0	0	(0)	-
Adjusted EBITDA	153	114	301	222	153	134	301	260

Refer to slide 18 for the definitions of EBTDA and Adjusted EBITDA

⁽¹⁾ Pro forma information is presented on a combined basis; combining the results for Axian Telecom and Free in Senegal as if they were a part of the same group from January 1, 2023

CALCULATION OF ADJUSTED NET DEBT TO ADJUSTED EBITDA RATIO

Q2'24 - Adjusted Net Debt Calculations

<i>In \$m, unless otherwise stated</i>	Q2'24	Q1'24
Borrowings (non-current)	394	327
Borrowings Bonds (non-current)	415	415
Borrowings (current)	73	104
Borrowings Bonds (current)	12	4
Other Borrowings	0	0
Total Borrowings	893	850
Loans payable to related parties (non-current)	169	166
IFRS adjustment to the Issuance canceled	(5)	(5)
Less: Adjusted Debt Amount	164	161
Adjusted Borrowings	729	689
IFRS 16 non-current	758	754
IFRS 16 current	31	37
Lease Liability	789	791
Adjusted Total Debt	1,518	1,480
Cash and cash equivalents	185	172
Bank overdraft	(64)	(60)
Excluding: Net Cash	122	112
Adjusted Net Debt	1,397	1,368
Last Twelve Month Adjusted EBITDA ⁽¹⁾	596	568
Adjusted Net Debt to Adjusted EBITDA Ratio	2.3x	2.4x

Q2'24 - Adjusted Net Debt (excl. leases) Calculations

<i>In \$m, unless otherwise stated</i>	Q2'24	Q1'24
Borrowings (non-current)	394	327
Borrowings Bonds (non-current)	415	415
Borrowings (current)	73	104
Borrowings Bonds (current)	12	4
Other Borrowings	0	0
Total Borrowings	893	850
Loans payable to related parties (non-current)	169	166
IFRS adjustment to the Issuance canceled	(5)	(5)
Less: Adjusted Debt Amount	164	161
Adjusted Borrowings	729	689
IFRS 16 non-current	-	-
IFRS 16 current	-	-
Lease Liability	-	-
Adjusted Total Debt	729	689
Cash and cash equivalents	185	172
Bank overdraft	(64)	(60)
Excluding: Net Cash	122	112
Adjusted Net Debt (excluding leases)	608	577
Last Twelve Month Adjusted EBITDAaL ⁽¹⁾	457	431
Adjusted Net Debt (excl. leases) to Adjusted EBITDAaL Ratio	1.3x	1.3x

Refer to slide 18 for the definitions of Adjusted Net Debt, Adjusted EBITDA, Adjusted Net Debt to Adjusted EBITDA Ratio, Adjusted Net Debt (excl. leases), Adjusted EBITDAaL and Adjusted Net Debt (excl. leases) to Adjusted EBITDAaL Ratio

⁽¹⁾ On Pro forma basis; combining the results for Axian Telecom and Free in Senegal as if they were a part of the same group for the last twelve months

GLOSSARY

In this presentation, we present certain financial measures of the Group that are not defined in, and thus, not calculated in accordance with International Financial Reporting Standard (“IFRS”), United States Generally Accepted Accounting Practice (“U.S. GAAP”) or generally accepted accounting principles in any other relevant jurisdiction.

These include EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin (each as defined below). Because these measures are not standardized, they may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS.

We do not regard these non-IFRS measures as a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or those calculated using financial measures that are calculated in accordance with IFRS.

Adjusted EBITDA: EBITDA adjusted for: (i) share of net profit of joint ventures; (ii) loss on disposal of subsidiary; (iii) gain on disposal of property, plant and equipment, and (iv) other non-operating expenses/(income) – net;

Adjusted EBITDAaL: Adjusted EBITDA after deducting lease payments made in the period;

Adjusted EBITDA Margin: ratio of Adjusted EBITDA to our revenue, expressed as a percentage;

Adjusted Net Debt: Adjusted Total Debt less cash and cash equivalents (excluding deposits held at banks and bank overdraft) as at the date of the consolidated statement of financial position;

Adjusted Net Debt (excl. leases): Adjusted Net Debt excluding lease liabilities;

Adjusted Net Debt to Adjusted EBITDA Ratio: Adjusted Net Debt divided by Adjusted EBITDA for a stated period, expressed as a multiple;

Adjusted Net Debt (excl. leases) to Adjusted EBITDAaL Ratio: Adjusted Net Debt (excl. leases) divided by Adjusted EBITDAaL for a stated period, expressed as a multiple;

Adjusted Total Debt: current and non-current borrowings plus capitalized debt issuance costs (excluding the Subordinated Shareholder Loans and loans payable to entities under common control) and lease liability as at the date of the consolidated statement of financial position;

Active data users: the total number of customers using more than 5 MB of mobile data over a 30-day period;

Active MFS users: total number of mobile financial users that made, received or participated in a Mobile Money Active Event within 30 days. A Mobile Money Active Event is a transaction initiated by a mobile money user, whether or not it is revenue-generating;

Capital Expenditure: purchases of property, plant and equipment and purchases of intangible assets as stated in the Financial Statements;

EBITDA: profit or loss for the year/period, excluding the impact of: (i) income tax expense; (ii) finance income; (iii) finance costs; (iv) depreciation of property, plant and equipment; (v) amortization of intangible assets; and (vi) amortization of right-of-use assets;

Owned Towers: Refers to ground-based towers, rooftop towers, and cell-on-wheels. Our Towers support wireless telecommunication equipment, and we measure the number of Owned Towers by considering the number of towers which are owned by all consolidated subsidiaries of the Group;

Revenue generating subscribers (“RGS”): revenue generating subscribers over fixed periods, usually a 90-day period at the Group level (a block of which we refer to as an “RGS90”), and one-, seven-, 30- and 60-day periods at the operational level;

Shared Towers: Refers to a subset of Owned Towers, specifically those towers which are owned by companies in our Group which provide passive telecommunications infrastructure services. We measure the number of Shared Towers by considering only those Towers with at least one Tenant at the date of measurement;

Tenancy Ratio: Represents the average number of Tenants per Shared Tower across our portfolio. Tenancy Rate is calculated by dividing the number of Tenants on Shared Towers by the number of Shared Towers at the date of measurement;

Tenants: Refers to the number of distinct customer points of presence across our Shared Tower portfolio;

YoY: Year-over-Year;